App F IX 4

Previous References

1951-2 (C M)

File No 41-51

Serial Nos 1/2

Class-1B'

Later References

C.M Dep No 21/52

C.M Dep No. 26/53

C/4 Secy 68/52

GENERAL AND REVENUE SECRETARIAT

Serial Nos Two

P210-E

Part B for Nov 51

SUBJECT

Levy of Property tax on Govt. Buildings

L 8653-51

14-11-51

The Commr Corpn. Bilaspur

Ch Engineer

Controller F.A.D

A.G

Auditor Corpn

Sanctions

WD 015467—GPB—25 000—12 9 51

28/2/52

G'R S APP F III—1]

GENERAL AND REVENUE SECRETARIAT

( )

NOTES

File No

FILE HEADING

Levy of property tax on Govt Buildings

FROM The Chairman, Corporation of the city of Bloemfontein

No GC 785/51-52 Dated 3-5-51 Received

Diary No 862/mil Enclos Spare copies Serial No

BRIEF ABSTRACT OF LETTER

Requests the views of Municipalities to the Authorities concerned to furnish lists of all Govt Buildings with their Capital Cost and Rental Value to enable them to take steps to property tax

NOTES AND ORDERS

Under the existing provisions of the Corporation Act Govt Buildings are not exempt from liability to property tax (Sec 101)

2) The amending Bill to the Corporation Act now before the Select Committee seeks to provide that Buildings belonging to the Govt or the Govt of India may be exempted from this tax The Bill is expected to come up before the August Session of this month

3) The Corporation now wants to tax

1st Sheet

WD 010865—GPB—20 000—2 8-50

File No 862/20 of 1956-57 | General and Revenue Secretariat

furnished on the cost of all Gas undertakings in B'lore and their Capital Cash or Rental Value if they have been let out to assess them to the tax } A

4) It is for orders of the question of levy of this tax may await the finalisation of the proposed legislation for amending the Act or the Departments concerned addressed to furnish the information asked for by the Corporation Even if the amendment is passed into law, the tax may have to be paid from the date of imposition of the Corporation tax & up to that date by the undertakings

OFFICE OF THE MINISTER FOR LOCAL SELF-GOVERNMENT No. 808 Date 24/5/57

Rec 7/5/57 8/5

5) Information as at A however may be collected for reference and the question of furnishing it to the Corporation deferred taken up after the Act is amended

1948(W) 1053 14-5-57

L.S.G. Secy) MS 8/5

1363 9/5

6) The Chief Engineer may on the first instance furnish Government also a list of such properties

L.S.G. Secy) MS 11/5

7) Yes - Thank the Corporation 10/5/57

MS 21/5

1743 21/5

Routine Notes

[To be used only for notes, requisitions etc not intended for permanent record]

position has been clarified in the recent amendment bill pending before the L A Session & the decision of the L A may be awaited

868 / 24/5

Rec'd 30 MAY 1951 Legislative Assembly

Orr 29/5/51

Mcr 30/5

MS 30/5

9) The L A has approved the Bill for amending the City of Bombay Municipal Corporation Act and according to the amended provisions of properties belonging to the Govt are exempt from Municipal taxes the Bill therefore now awaits assent of His Excellency It is therefore for orders whether it is necessary to get from the Chief Engineer a list of Govt properties for being furnished to the Corporation as requested The list is asked for to assess those properties to tax

Rec 12/6/51

10) It seems necessary to obtain a list of Govt properties for being furnished to the Corporation since the taxes may have to be paid from the date of inauguration of the Corporation upto the date of the Amendment

A.

"B"

N B—Should routine notes be written on small slips e notes must be copied or slips pasted on this form

For orders with refce to para 8

C F 74] Ct 2/1st 772/2D WD 03286—GPB—25 000—1-8-48

Routine Notes

[To be used only for notes, requisitions, etc, not intended for permanent record]

(2) A Not necessary that the gracious assent to the bill by H-H the Raja of Mysore may be awaited

Sec Sec) 2
18/6

(3) The Bill as passed by the Legislature has been, I understand, sent up for the Gracious assent & H H the assent may be received in a few days

(4) for favour of opinion re "B" on para 10

Law Sec) Mso 23/6/51
2
25/6

(5) The Bill has received the assent of His Highness on 23-6-51 and has been published as Mysore Act No XXVI of 1951. The liabilit to Property tax in respect

2754 L&G 26 JUN 1951 LEGISLATIVE DEPARTMENT

3295 26 JUN 1951 SECRETARIAT

Sec M S mas 5/7/51

-5 JUL 1951 LEGISLATIVE REVENUE SECRETARIAT

NB—Should routine notes be written on small slips the notes must be copied or slips pasted on this form

Ebr/mk levy of property tax on govt ~~properties~~ buildings 772/dd

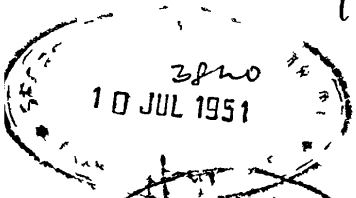
of Government properties for the period when such levy was legal does not appear to be affected by the amendment of section 101 of the Act since the amendment is not retrospective

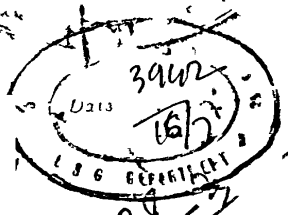
mg
10/7/51

16) The liability to the tax continues till the ~~20th~~ 23rd of June 1951, on which date the Act comes into force

Mas
10/7/51

MMR
10/7



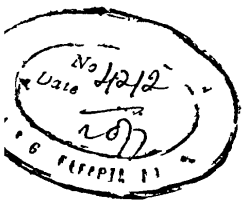


Secy Secy)

Secy Secy)

1/ MK 15/7 MMR 16/7

17) ~~If it is for direct~~ Shastri the Chief Engineer may be requested to send a list of all the Cart Tracks within the Corporation limits to the Commissioner to Collect Octroi for the period from 8 12 49 to 23 6 51 — Ref para 8 of the notes



18) Secy Secy) 16/7

19) In view of the legal opinion in para 16, the Corporation can levy tax on Govt bldgs upto 23/6/51, the C.E will be addressed to furnish the necessary particulars to the Corporation & also to pay the taxes upto 23/6/51 on receipt of bills.

evg of Property tax on Govt buildings

Hon LSG,
Hon. Home
&
Chief Sec
Thro'
Secy PWD
&
Fin Secy

1043 mm

Chief Engr remarks

OFFICE OF THE HOME MINISTER
No 9592 U O No
Dat 25/9/51

3449 evening

D 21-9-51

In view of the legal opinion that the Corporation can lev property tax on Government buildings upto 23-6-1951, there is no alternative but to pay the taxes on Government buildings up to that date On receipt of orders of Government ~~x~~ in this behalf, instructions will be issued to the Executive Engineer, Buildings Division, Bangalore, to furnish the necessary particulars to the Bangalore Corporation.

Secretary to Government,)
Public Works Department)

Chief Engineer of repos

OFFICE OF THE SECRETARIAT
27 SEP 1951
No 6916
Dat

5118

2083

Hon LSG
Hon Home
Chief & Hon Secy
Thro' Fin Secy

OFFICE OF THE MINISTER FOR LOCAL SELF GOVERNMENT
No 3662
Date 4/10/51

Levy of property Tax on Government buildings

6765
26/10

Date 28/10

27/10

Date 7/11/57

Date 8/11

CORPORATION OF THE CITY OF BANGALORE

No G1 785/51-52.
Enc due

CORPORATION OFFICES,
BANGALORE

Dated 3rd May 1951

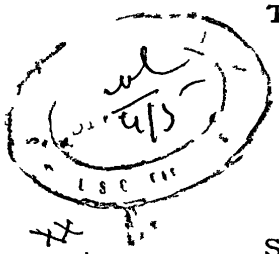
FROM

MIR SAFDAR HUSSAIN, Esq, B A,
COMMISSIONER, BANGALORE CORPORATION,
BANGALORE

C Or. 41 - 51. 30 1

TO

The Secretary to the
Government of Mysore,
Local Self-Government Department,
BANGALORE



Put up the main file MS 5/5

SIR,

Subject - Levy of Property Tax on Government buildings.

I write to state that under Section 101 of the City of Bangalore Municipal Corporation Act, 1949, buildings owned by Government (residential and non-residential) are not exempt from payment of property tax. As the Act cited above is modelled on identical lines of the Madras City Municipal Act 1919, a reference was made as to the policy and procedure in regard to the levy of the tax in this behalf A copy of the reply received is enclosed for the information of the Government. The Corporation while discussing the budget estimates of 1951 - 52 at their meeting held on the 1st May 1951 approved the recommendation of the Standing Committee (Taxation and Finance), dated the 4th April 1951 that necessary steps should be taken to assess Government buildings - vide copy of the recommendation enclosed.

2. In the circumstances I request that the Government may be pleased to issue directions to the concerned authorities to furnish very early a detailed list of all Government buildings with capital cost and rental value in cases where they are let out for rent so that action may be taken to assess them as per provisions contained in Sections 99 and 100 of the Corporation Act with effect from the 8th December 1949 The matter may

P T O/

kindly be treated as very urgent

3. With regard to the buildings owned by Government of India, a separate communication will follow.

Yours faithfully,

Forwarded with compliments.

R Anantasayanam
MAYOR

COMMISSIONER

MVL
3-5-51.

Enc.I Letter No.R.D.23554/51 dated the 23rd April 1951 from the Revenue Officer, Corporation of Madras, Madras, to the Commissioner, Corporation of Bangalore, Bangalore

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Subject.- Tax - Property - Assessment of Government buildings

Reference:- Your letter No.A.1-50 dated 5-4-1951.

I furnish below the information required in your letter under reference.

1) All Government buildings both residential and non-residential belonging to the state Government and the Government of India are assessed to property tax with the exception of Government of India buildings constructed after 1-4-1937 The Government of India have disowned their liability for payment of taxes in respect of such properties following a recent judgment of the Federal Court (case No.20) A copy of the G.O. issued in this regard is enclosed for your information

2) Government properties are taxed at the same rates as are applicable to all other properties in the City under Section 99 of the Madras City Municipal Act. The properties belonging to Government of India are alone taxed at the rates which prevailed prior to 1-4-1937 by virtue of the instructions contained in the G O. quoted above The rates of taxes are fixed by the Council at a certain percentage on the annual valuation of properties subject to the minimum and maximum prescribed in Sub-section (2) of Section 99 of the Madras City Municipal Act.

3) Government buildings are assessed to property tax under the proviso (a) to Section 100(2) of the Madras City Municipal Act according to which the annual valuation of any railway or Government building shall be deemed to be six per cent of the total of the estimated market value of the land at the time of assessment and the estimated cost of erecting the building at such time after deducting for depreciation a reasonable amount which shall in no case be less than ten per cent of such cost

4 & 5 In view of the reply given to point (1) in the affirmative, replies to these points do not arise.

6 Nil.

Enc II. GOVERNMENT OF MADRAS.
Local Administration Department.

G O.No.2200, 25th October 1949.

Tax - Local and Municipal - Assessment of properties belonging to or connected with the Central Government - Instructions issued

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Read - the following paper -

From the Government of India, Ministry of Defence, No.161/4193-D 8/49 dated 10th October 1949.

Order No.2200, L.A., dated 25th October 1949.

The question of levy and collection of tax on properties belonging to or connected with the Central Government has been engaging the attention of this Government and the Government of

India for some time past. In view of a recent judgment of the Federal Court (Case No.20), the Government of India have since informed this Government that they have decided that the local taxes on the Central Government properties (other than railway properties) will be paid on the merits of each case with due regard to the following points -

(a) whether the property sought to be taxed, vested in Central Government before 1st April 1937.

(b) If any further buildings have been constructed on the same plot subsequent to 1st April 1937,

(c) whether any improvements have been made to the old property subsequent to 1st April 1937, and

(d) whether the tax now claimed is the same which if at all was being paid prior to 1st April 1937.

The Government of India accept liability of such taxes only as were being paid from before 1st April 1937 in respect of only such buildings which existed as Government buildings before that date. The Government of India further maintain that they are not liable to pay any enhanced rate of any tax that was being paid by the Government from 1st April 1937, in respect of any building- They have also stated that they are not liable to pay taxes in respect of improvements additions to the buildings which existed on 1st April 1937 and on which the taxes were being levied. In the circumstances, the question of payment of a lump sum to Municipalities in respect of all Central Government buildings mentioned in Memorandum No.6075-49-19A. dated 7th March 1949

2 The executive authorities of municipal councils and local boards and the Commissioner, Corporation of Madras, are advised to note the position stated above and take necessary action to claim the taxes due in respect of the properties of the Government of India situated in their local areas in accordance with the above views of the Government of India.

(By order of His Excellency the Governor)

H. Sivanandam,
Secretary to Government.

To
The Commissioner, Corporation of Madras,
through the Mayor.

Enc.III

Extract from the Proceedings of the Meeting of the Standing Committee (Taxation and Finance), held on the 4th April 1951

Budget Estimates

The question of levying property tax on Government buildings was considered in great detail and it was decided that necessary steps be taken to access Government buildings. According to the Corporation Act, Government buildings were not exempted from payment of tax Correspondence in this behalf should therefore immediately be initiated

x x x x x x

(Sd) K Narayan,
Chairman,
Standing Committee (T & F)

" Copy "

for COMMISSIONER

MVL
3-5-51

PROCEEDINGS OF THE GOVERNMENT OF MYSORE

Read -

Letter No 813/S dated 9th November 1949 from the Chief Engineer, requesting in the circumstances reported that orders of Government may be obtained either for waiving the Sales Tax on Contractors' bills for Government works or payment of Sales Tax in addition to the billed amount

2 Correspondence ending with U O No C T O No.120/48-49 dated 4th July 1950 from the Commissioner of Sales Tax order thereon No P W 5335/B 13-50-44 dated, Bangalore, 16th September 1950.

The levy of Sales Tax on Contractors bills in respect of Government works executed by them in the Public Works Department cannot be waived They should register themselves as dealers as per Sales Tax Act It is however directed that levy of Sales Tax due from the said contractors on their turnover in respect of Government works executed by them in the Public Works Department prior to first January 1950 shall be waived as a special case They have to pay the Sales Tax from January 1950 as they are like any other dealers under the Sales Tax Act.

(Sd) H Channaiah,
For Secretary to Government,
Public Works Department

"Copy"

Chairman

C.R. 415/52

8 Copies

Proceedings of the Govt of Mysore

Read -

Letter no gl 785/51-52 dated 3-5-51 from the Commr, Corporation of the city of B'lore requesting to issue necessary instructions to the authorities concerned to furnish a detailed list of all government buildings with information as to Capital cost and Rental value in cases where they are let out for rent to enable action being taken to assess them for property tax under Secs 99 and 100 of the Corporation Act, 1949, as framed & 12 49 as resolved by the Corporation at its meeting held on 1.5.51.

Order no L 8663-57/Cm 44 51-2

Govt Buildings within the city were liable under Sec 99 of the city of B'lore Municipal Corporation Act to properly tax at the ~~[illegible]~~ applicable to all other properties in the city Public premises in the proviso to Sub Sec (3) of Sec 100 according to which

the annual value of the premises shall be deemed to be six per cent of the total ~~of~~ the estimated market value of the building at such time after making the prescribed allowance of not less than ten per cent for depreciation under the amended provision of Sec 101 of the Corporation Act which came into force on the 23rd June '51 Buildings belonging to the Govt or the Govt of India are exempt from the property tax. Hence the liability to the property tax of Govt buildings continues from 1 12 49 the date on which the Corporation was inaugurated to the 23rd June 1951 on which date the amended provision came into force

In order to enable the assessment and collection of the tax the Commr, Corporation will arrange to obtain direct from the Chief Engineer and others concerned lists of Govt buildings within the city and other relevant particulars

L S. G Seaf

8/11/51 7/11/51

Commr, Corpn for info & files Chief Engr, S.A.D, Chairman F Fin Accountant General

Addl, Corporation for info & files Chief Engineer for info

Copy to PW Secy

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Letter No.C1.785/51-52 dated 3rd May 1951 from the Commissioner, Corporation of the City of Bangalore, requesting to issue necessary instructions to the authorities concerned to furnish a detailed list of all Government Buildings with information as to capital cost and rental value in cases where they are let out for rent to enable action being taken to assess them for property tax under Sections 99 and 100 of the Corporation Act, as from 8th December 1949 as resolved by the Corporation at its meeting held on 1st May 1951.

ORDER NO.L. 8682-87/C N 51-52

Dated, Bangalore, the 14/11/51

Government buildings within the city were liable under Section 99 of the City of Bangalore Municipal Corporation Act to property tax at the rates prescribed in the proviso to sub-section (2) of Section 100 according to which the annual value of the premises shall be deemed to be six percent of the total of the estimated market value of the building at such time after making the prescribed allowance of not less than ten percent for depreciation. Under the amended provision of Section 101 of the Corporation Act which came into force on the 23rd June 1951 buildings belonging to Government or the Government of India are exempt from the property tax. Hence the liability to the property tax of Government buildings continue from 8th December 1949, the date on which the Corporation was inaugurated till the 23rd June 1951, on which date the amended provision came into force.

In order to enable the assessment and collection of the tax for the period specified above, the Commissioner, Corporation will arrange to obtain direct from the Chief Engineer and others concerned lists of Government buildings within the city with other relevant particulars.

Sd/- M. Ramanuja Rao (31/5)
for Secretary to Government,
P.W.D. Department.

To

The Commissioner, Corporation of the City of Bangalore thro the Mayor.
" Chief Engineer of Mysore, Bangalore.
" Controller, State Accounts Department, Bangalore } Through the
" Accountant General-Mysore, Bangalore } Financial Deptt.
" Auditor, Corporation of the City of Bangalore.